

State: Illinois **Filing Company:** ACE American Insurance Company
TOI/Sub-TOI: 11.0 Medical Malpractice - Claims Made/Occurrence/11.0029 Other
Product Name: 12-MR-2009793(R) - Amendment
Project Name/Number: Allied Healthcare - Individuals Program Filing /12-MR-2009793(R) - Amendment

Filing at a Glance

Company: ACE American Insurance Company
Product Name: 12-MR-2009793(R) - Amendment
State: Illinois
TOI: 11.0 Medical Malpractice - Claims Made/Occurrence
Sub-TOI: 11.0029 Other
Filing Type: Rate/Rule
Date Submitted: 05/20/2013
SERFF Tr Num: ACEH-129036919
SERFF Status: Closed-Filed
State Tr Num: ACEH-129036919
State Status:
Co Tr Num: 12-MR-2009793(R)- AMENDMENT

Effective Date On Approval
Requested (New):
Effective Date On Approval
Requested (Renewal):
Author(s): Viola McBride, Jonathan Little
Reviewer(s): Gayle Neuman (primary)
Disposition Date: 06/03/2013
Disposition Status: Filed
Effective Date (New): 05/31/2013
Effective Date (Renewal): 05/31/2013

State Filing Description:

State: Illinois **Filing Company:** ACE American Insurance Company
TOI/Sub-TOI: 11.0 Medical Malpractice - Claims Made/Occurrence/11.0029 Other
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General Information

Project Name: Allied Healthcare - Individuals Program Filing Status of Filing in Domicile:
Project Number: 12-MR-2009793(R) - Amendment Domicile Status Comments:
Reference Organization: Reference Number:
Reference Title: Advisory Org. Circular:
Filing Status Changed: 06/03/2013
State Status Changed: Deemer Date:
Created By: Viola McBride Submitted By: Viola McBride
Corresponding Filing Tracking Number: 12-MR-2009793(F)

Filing Description:

ACE American Insurance Company has filed for approval, a Health Care and Allied Professional and Supplemental Liability Insurance Program, which offers professional and general liability coverage for allied healthcare practitioners working as solo practitioners or in groups of up to six covered practitioners. The rate/rule filing for this program was approved on 08/29/12.

This filing revises the state exceptions pages for this program, that were previously approved for use in your state, under SERFF tracking number ACEH-128043478, to align with the revisions recently made to our companion forms filing, submitted under SERFF tracking number ACEH-128043477.

We request approval at the earliest possible effective date.

Company and Contact

Filing Contact Information

Viola McBride, Filing Technician
436 Walnut Street
WB04G
Philadelphia, PA 19106

viola.mcbride@acegroup.com
215-640-5238 [Phone]
215-640-4986 [FAX]

Filing Company Information

ACE American Insurance Company	CoCode: 22667	State of Domicile:
PO Box 1000	Group Code: 626	Pennsylvania
436 Walnut Street	Group Name: ACE Group	Company Type:
Philadelphia, PA 19106	FEIN Number: 95-2371728	State ID Number:
(215) 640-5123 ext. [Phone]		

Filing Fees

Fee Required? No
Retaliatory? No
Fee Explanation:

State: Illinois **Filing Company:** ACE American Insurance Company
TOI/Sub-TOI: 11.0 Medical Malpractice - Claims Made/Occurrence/11.0029 Other
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State Specific

Refer to our checklists prior to submitting filing (http://www.idfpr.com/DOI/Prop_Cas_IS3_Checklists/IS3_Checklists.htm):

Acknowledged

Refer to our updated (04/06/2007) SERFF General Instructions prior to submitting filing. They have been updated to clarify what rates and rules are required to be filed as well as what rates and rules are not required to be filed. Also, the "Product Name" is the Filing Title and not the Project Number.: Acknowledged

NO RATES and/or RULES ARE REQUIRED TO BE FILED FOR LINES OF COVERAGE SUCH AS COMMERCIAL AUTO (except taxicabs), BURGLARY AND THEFT, GLASS, FIDELITY, SURETY, COMMERCIAL GENERAL LIABILITY, CROP HAIL, COMMERCIAL PROPERTY, DIRECTORS AND OFFICERS, ERRORS AND OMISSIONS, COMMERCIAL MULTI PERIL just to mention a few. However, a Summary Sheet (RF-3) is required to be filed. Please refer to the State Specific Field below for what rates/rules are required to be filed and to our checklists for specific statutes, regulations, etc. :

http://insurance.illinois.gov/Prop_Cas_IS3_Checklists/IS3_Checklists.asp .: Acknowledged

Medical Malpractice rates/rules may now be submitted using SERFF effective January 1, 2012.: Acknowledged

The only rates and/or rules that are required to be filed are Homeowners, Mobile Homeowners, Dwelling Fire and Allied Lines, Workers' Compensation, Liquor Liability, Private Passenger Automobiles, Taxicabs, Motorcycles and Group Inland Marine Insurance which only applies to insurance involving personal property owned by, being purchased by or pledged as collateral by individuals, and not used in any business, trade or profession per Regulation Part 2302 which says in part, "each company shall file with the Director of Insurance each rate, rule and minimum premium before it is used in the State of Illinois.":

Acknowledged

When selecting a form filing type for a multiple form filing, use the dominant type from these choices: APP - application; CER - certificate; COF - coverage form; DPS - declaration page; END - endorsement; POJ - policy jacket; ORG - Companies adopting an Advisory or Rating Organization's filing. Example: If you are submitting a policy as well as endorsements, a declaration page and an application, you would select "POL" for policy.: Acknowledged

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Project Name/Number:	Allied Healthcare - Individuals Program Filing /12-MR-2009793(R) - Amendment		

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Gayle Neuman	06/03/2013	06/03/2013

Objection Letters and Response Letters

Objection Letters

Status	Created By	Created On	Date Submitted
Pending Industry Response	Gayle Neuman	05/29/2013	05/29/2013

Response Letters

Responded By	Created On	Date Submitted
Viola McBride	05/31/2013	05/31/2013

State:	Illinois	Filing Company:	ACE American Insurance Company
TOI/Sub-TOI:	11.0 Medical Malpractice - Claims Made/Occurrence/11.0029 Other		
Product Name:	12-MR-2009793(R) - Amendment		
Project Name/Number:	Allied Healthcare - Individuals Program Filing /12-MR-2009793(R) - Amendment		

Disposition

Disposition Date: 06/03/2013
Effective Date (New): 05/31/2013
Effective Date (Renewal): 05/31/2013
Status: Filed

Comment:

Rate data does NOT apply to filing.

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Explanatory Memorandum		Yes
Supporting Document	Form RF3 - (Summary Sheet)		Yes
Supporting Document	Certification		Yes
Supporting Document	Request to Maintain Data as Trade Secret Information		Yes
Supporting Document	Manual		Yes
Supporting Document	State Exception Pages - redlined		Yes
Rate	IL State Exception Pages		Yes

State: Illinois **Filing Company:** ACE American Insurance Company
TOI/Sub-TOI: 11.0 Medical Malpractice - Claims Made/Occurrence/11.0029 Other
Product Name: 12-MR-2009793(R) - Amendment
Project Name/Number: Allied Healthcare - Individuals Program Filing /12-MR-2009793(R) - Amendment

Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	05/29/2013
Submitted Date	05/29/2013
Respond By Date	06/05/2013

Dear Viola McBride,

Introduction:

This is to acknowledge receipt of your filing. Your submission is not acceptable for filing in Illinois due to the following reasons:

Please indicate if your company has a plan for the gathering of statistics or the reporting of statistics to statistical agencies? If yes, what stat agency is being used?

Conclusion:

Sign up to get e-mail notification for updates to the Department's website. <http://insurance.illinois.gov/RSS/>

Please refer to the appropriate Property Casualty IS3 Review Requirements Checklist before submitting any filing. The checklists are available at the Department's Web site or at the following link:

http://insurance.illinois.gov/Prop_Cas_IS3_Checklists/IS3_Checklists.asp

Please submit compliant form(s) no later than the date shown above or the entire filing may be disapproved. Please be advised that when the Director disapproves the form(s) you must immediately cease using the form(s) in Illinois.

Please give this matter your immediate attention. If you have any question regarding this filing please feel free to contact me.

Sincerely,

Gayle Neuman

State:	Illinois	Filing Company:	ACE American Insurance Company
TOI/Sub-TOI:	11.0 Medical Malpractice - Claims Made/Occurrence/11.0029 Other		
Product Name:	12-MR-2009793(R) - Amendment		
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Response Letter

Response Letter Status	Submitted to State
Response Letter Date	05/31/2013
Submitted Date	05/31/2013

Dear Gayle Neuman,

Introduction:

We are responding to your ocmments, dated 05/29/13.

Response 1

Comments:

Regarding the reporting of statistics, we use ISO.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Thank you.

Sincerely,

Viola McBride

State:	Illinois	Filing Company:	ACE American Insurance Company
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Rate/Rule Schedule

Item No.	Schedule Item Status	Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing Number	Attachments
1		IL State Exception Pages	IL-1 - IL-5	Replacement	ACEH-128043478	IL STATE EXCEPTION PAGE 05 17 13 final.pdf

Healthcare and Allied Professional and Supplemental Liability

Exception Pages: Illinois

State Exceptions. Selected countrywide rules are amended as described below:

- I. In order to comply with Illinois Department of Insurance regulation 215 ILCS 5/143(2), no policy will be amended midterm to exclude or reduce coverage, without the insureds' request. (For example, including but not limited to using endorsements PF-37236, exclusion of specified supplemental liability coverages, or PF-37220, endorsement deletion endorsement). These endorsements will only be used midterm to correct any typographical errors without the insureds consent. If coverage is reduced or eliminated upon renewal a conditional renewal notice will be sent to the insured in compliance with Illinois conditional renewal requirements.
- II. Rule **XI. EXTENDED REPORTING PERIOD COVERAGE (Claims Made Only)** is amended by deleting paragraph H & I in their entirety and replacing paragraph I. with the following:

- I. Extended Reporting Period Factors -The factors in the following table shall be applied to the claims-made rate in effect at the beginning of the current policy period:

Years of Prior Claims Made Coverage	Installment Unlimited Factors Years			Prepaid Unlimited Factors
	1	2	3	
1	.36	.34	.28	.92
2	.58	.55	.39	1.43
3	.67	.55	.59	1.70
4 or more	.84	.55	.59	1.87

Any other option refer to company

- III. Rule **XIX. Premium Installment plans for both Individuals and Entities** is added as follows:

The following installment premium payment plans shall be offered:

1. For annual premiums up to and including \$80,000, a four-installment payment plan payable as follows:
 - a. an initial payment equal to 40% of the premium due at policy inception;
 - b. a second payment equal to 20% of the premium due 3 months from policy inception; and
 - c. a third payment equal to 20% of the premium due 6 months from policy inception.
 - d. a fourth payment equal to 20% of the premium due 9 months from the policy inception
2. For annual premiums in excess of \$80,000, a four-installment payment plan payable as follows:
 - a. an initial payment equal to 25% of the premium due at policy inception;
 - b. a second payment equal to 25% of the premium due 3 months from policy inception;
 - c. a third payment equal to 25% of the premium due 6 months from policy inception;
 - d. a fourth payment equal to 25% of the premium due 9 months from policy inception;

Additional premium resulting from changes to the policy shall be spread over the remaining installments, if any. If there are no remaining installments, additional premium resulting from changes to the policy shall be billed immediately as a separate transaction.

- IV. Rule **XVI. Schedule Rating** is amended by adding the following:

Credits and debits shown below above are additive if more than one applies, they are subject to a maximum total credit or debit of 25% for all categories.

- V. Rule **XVII. RULES FOR INDIVIDUALS** and Rule **XVIII. RULES FOR LEGAL ENTITIES**, is amended by deleting Paragraph A for both sections in their entirety and replacing it with the following:

Healthcare and Allied Professional and Supplemental Liability
Exception Pages: Illinois

- A. The following are the base limits used for premium calculation. Availability of limits by specialty or state may be restricted by underwriting guidelines:

Coverage	Limits of Liability	
Professional Liability	\$1,000,000 each claim	\$6,000,000 aggregate
Good Samaritan Liability	Included in PL limit above	
General Liability	\$1,000,000 each claim	\$6,000,000 aggregate
Personal Injury Liability	Included in GL limit above	
License Protection	\$ 25,000 per proceeding	\$ 25,000 aggregate
Defendant Expense Benefit	\$1,000 per day	\$ 25,000 aggregate
Deposition Representation	\$ 10,000 per incident	\$ 10,000 aggregate
Assault	\$ 25,000 per incident	\$ 25,000 aggregate
Medical Payments	\$ 25,000 per person	\$ 100,000 aggregate
First Aid		\$ 10,000 aggregate
Damage to Property of Others	\$ 10,000 per incident	\$ 10,000 aggregate
Personal Liability		\$1,000,000 aggregate

Coverage for Certified Acts of Terrorism, as defined in the Terrorism Insurance Act of 2002, is included at no additional premium if General Liability is purchased and if the insured wants Personal Injury liability coverage, the insured must purchase the General Liability coverage.

VI. Rule **XVII. RULES FOR INDIVIDUALS**, is amended at paragraph A by adding the following:

1. If General Liability is purchased, it is only available as a separate limit with a base limit of \$1,000,000 each claim and a \$1,000,000 aggregate limit for \$150.
2. When an Individual has several locations, and requests General Liability coverage, a \$50 charge per additional practice location will apply. This is not a separate limit of liability per location and will share in the limit of liability stated above.
3. When an Individual provides home healthcare, staffing or fitness, the annual rate will be 25% of the developed Professional Liability rate, subject to \$150 per policy minimum.
4. Other General Liability limits are available and associated with the following factors (which are with respect to the \$1M/\$1M rate).

Increased Limit	Increased Limit Factor
\$1,000,000/\$1,000,000	1.00
\$1,000,000/\$2,000,000	1.13
\$1,000,000/\$3,000,000	1.21
\$1,000,000/\$4,000,000	1.28
\$1,000,000/\$5,000,000	1.33
\$1,000,000/\$6,000,000	1.37
\$1,000,000/\$7,000,000	1.39
\$1,000,000/\$8,000,000	1.40
\$2,000,000/\$4,000,000	1.98
\$2,000,000/\$5,000,000	2.00
\$2,000,000/\$6,000,000	2.01
\$2,000,000/\$7,000,000	2.02
\$2,000,000/\$8,000,000	2.03

The General Liability Limit can not be higher then the Professional Liability Limit.

VII. Rule **XVII. RULES FOR INDIVIDUALS**, is amended by deleting sub-section B. 3, **Part Time**, in its entirety

Healthcare and Allied Professional and Supplemental Liability

Exception Pages: Illinois

and replacing it with the following:

Individual Healthcare Provider who works 24 or fewer hours per week may be eligible for a rate reduction of 50% subject to a minimum premium. Physician Assistants will be eligible for a rate reduction of 35%.

- a. When part time rates result in an amount that is less than \$100, the rate will be the lesser of either the individual's full time base rate or \$100.
- b. Part time rate is available to an employed individual who works 24 or fewer hours per week in a self-employed capacity for that individual's self-employed pursuits.
- c. The part time rate reduction is not available for nurse practitioners.

VIII. Rule **XVIII., RULES FOR Legal Entities**, is amended at paragraph D by deleting subsection 1 in its entirety and replacing it with the following:

1. If General Liability is purchased, it is only available as a separate limit with a base limit of \$1,000,000 each claim and a \$1,000,000 aggregate limit for \$150.

IX. Rule **XVIII. RULES FOR LEGAL ENTITIES** is amended by deleting paragraph 3 in its entirety and replacing it with the following:

3. **Exposure Debits**

Debits will be added based on the presence of the following: The Maximum debit will be 35%

Category	Debit
Registry/Staffing	A surcharge of 25% of developed premium before debits/credits will be added to Firms that provide staffing to other facilities, firms or locations.
Background check	A surcharge of 10% of developed premium before debits/credits will be added to Firms not performing background checks on their employees and independent contractors.

X. **Rates**

- A. All rates indicated below are for Professional Liability limits of \$1,000,000 each claim with a \$6,000,000 annual aggregate.

Class		Employed	Self-Employed
I	A		
	Occupational Therapists; Occupational Therapy Assistant; Certified Occupational Therapy Assistant	\$71	\$198
	B		
	Respiratory Care Provider; Respiratory Therapist	\$84	\$281
	C		
	Respiratory Therapist Technician/Technologist; Chiropractic Assistant; Optometric Technician/Assistant; Podiatric Assistant	\$84	\$234
II			
	Art Therapist; Dance Therapist; Music Therapist; Recreation Therapist	\$84	\$281
III	A		
	LPN/LVN; Registered Nurse	\$88	\$270

Healthcare and Allied Professional and Supplemental Liability
Exception Pages: Illinois

B	Dietician; Nutritionist	\$84	\$234
C	Bio-medical Technician/Technologist; Blood Bank Technician/Technologist; Cardiology Technician/Technologist; Certified Lab Technician/Technologist; Certified Medical Assistant; Clinical Lab Technician/Technologist; Community Health Assistant; Community Health Technician/Technologist; Diagnostic Medical Sonographer; Dialysis Technician/Technologist; EEG Technician/Technologist; EKG Technician/Technologist; Electrologist Histologic; Technician/Technologist; Medical Assistant; Medical Laboratory Technician/Technologist; Medical Records Administrator; Medical Records Technician/Technologist; Medical Technician; Medical Technician/Technologist Assistant; Medical Technologist; Mental Retardation Workers; Nuclear Medical Technician/Technologist; Phlebotomist; Radiation Therapist; Radiology Technician/Technologist; Surgical Technician/Technologist; X-Ray Machine Operator	\$84	\$164
D	Home Health Aid	\$84	\$90
E	Clinical Nurse Specialist-No Prescriptive Authority	\$88	\$311
IV A	Pharmacist	\$131	\$351
B	Pharmacy Technician	\$84	\$164
C	Pedorthist	\$104	\$291
V	Circulation Tech; Perfusionist	\$140	\$281
VI A	Massage Therapist	\$140	\$164
B	Enterostomal Therapist; Orthopedic Assistant	\$164	\$281
VII A	Athletic Trainer	\$187	\$889
B	Exercise Physiologist; Fitness Professional; Health Educator; Kinesiologist; Certified Personal Trainer; Sports Medicine Instructor	\$140	\$162
VIII A	Paramedic	\$149	\$215
B	Basic/Intermediate Emergency Medical Technician	\$136	\$195
C	Volunteer Emergency Medical Technician	\$70	\$70
IX A	Physical Therapist; Rehabilitation Therapist; Kinesiotherapist; Sports Medicine Therapist; Corrective Therapist; Physical Therapist Assistant; Rehabilitation Assistant	\$148	\$420
B	Physical Therapist Assistant; Rehabilitation Assistant	\$75	\$211
X	No Specialties in this class	----	---
XI A	Nurse Practitioners/Clinical Nurse Specialists Adult/Geriatric/Family Planning/Gynecology/Women's Health/Adult Oncology	\$645	\$796
B	Psychiatric	\$911	\$1,126
C	Pediatric/Neonatal/Family Practice/Acute Critical Care	\$1,178	\$1,455
D	Obstetrics/Gynecology/Perinatal/Acute Care Obstetrics	\$1,446	\$1,787
E	Nurse Practitioner Student	\$248	N/A
F	Clinical Nurse Specialists-Educator; Consultant, Administrator and Researcher	\$419	\$517
XII	Audiologist; Speech Language Pathologist	\$74	\$126
XIII	Dental Hygienists	\$56	\$234

XIV	Dental Assistant; Laboratory Aide; Nurses Aide; Geriatric Nursing Assistant; Nursing Assistant; Physical Therapy Aide; Other Healthcare Aide(Excluding Home Health Aides)	\$46	\$164
XV A	Social Worker Clinical	\$113	\$270

Healthcare and Allied Professional and Supplemental Liability
Exception Pages: Illinois

B	Psychotherapist	\$405	\$855
C	Alcohol/Drug Counselor Case Manager; Clinical/Rehabilitation Counselor; Pastoral Counselor; School Counselor	\$113	\$297
D	Marriage/Family Counselor	\$113	\$239
Counties: Cook, DuPage, Madison and St. Clair			
XVI A	Physician Assistant Class 1(see Rules)	\$4,356	\$4,356
B	Physician Assistant Class 2(see Rules)	\$5,445	\$5,445
C	Physician Assistant Class 3(see Rules)	\$6,534	\$6,534
D	Physician Assistant Student	\$140	N/A
E	Registered Radiologist Assistant	N/A	N/A
Remainder of State			
XVI A	Physician Assistant Class 1(see Rules)	\$3,598	\$3,598
B	Physician Assistant Class 2(see Rules)	\$4,498	\$4,498
C	Physician Assistant Class 3(see Rules)	\$5,397	\$5,397
D	Physician Assistant Student	\$140	N/A
E	Registered Radiologist Assistant	N/A	N/A
XVII A	Acupuncturist	\$658	\$658
B	Acupuncturist Student	\$140	\$N/A

SERFF Tracking #:	ACEH-129036919	State Tracking #:	ACEH-129036919	Company Tracking #:	12-MR-2009793(R)- AMENDMENT
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TOI/Sub-TOI:	11.0 Medical Malpractice - Claims Made/Occurrence/11.0029 Other				
Product Name:	12-MR-2009793(R) - Amendment				
Project Name/Number:	Allied Healthcare - Individuals Program Filing /12-MR-2009793(R) - Amendment				

Supporting Document Schedules

Satisfied - Item:	Explanatory Memorandum
Comments:	
Attachment(s):	Rule Pages Filing Memo.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Form RF3 - (Summary Sheet)
Comments:	
Attachment(s):	IL RF3.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Certification
Comments:	
Attachment(s):	IL Statement of Actuarial Opinion 12-11.pdf
Item Status:	
Status Date:	

Bypassed - Item:	Request to Maintain Data as Trade Secret Information
Bypass Reason:	NA
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Manual
Comments:	Acknowledged
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	State Exception Pages - redlined
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SERFF Tracking #:	ACEH-129036919	State Tracking #:	ACEH-129036919	Company Tracking #:	12-MR-2009793(R)- AMENDMENT
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Comments:	
Attachment(s):	IL STATE EXCEPTION PAGE 05 17 13 redlined.pdf
Item Status:	
Status Date:	

ACE American Insurance Company

Health Care and Allied Professional and Supplemental Liability Insurance Program

Filing Memorandum

Company Filing Number 12-MR-2009793 (R) - Amendment

ACE American Insurance Company has filed for approval, a Health Care and Allied Professional and Supplemental Liability Insurance Program, which offers professional and general liability coverage for allied healthcare practitioners working as solo practitioners or in groups of up to six covered practitioners. The rate/rule filing for this program was approved on 08/29/12.

This filing revises the state exceptions pages for this program, that were previously approved for use in your state, under SERFF tracking number ACEH-128043478, to align with the revisions recently made to our companion forms filing, submitted under SERFF tracking number ACEH-128043477.

We have attached Illinois State Exceptions Pages 1-5 (ed. 05/13).

We request approval at the earliest possible effective date.

Change in Company's premium or rate level produced by rate revision effective

(1) Coverage	(2) Annual Premium Volume (Illinois)*	(3) Percent Change (+ or -)**
1. Automobile Liability Private Passenger		
Commercial		
2. Automobile Physical Damage		
Private Passenger		
Commercial		
3. Liability Other Than Auto		
4. Burglary and Theft		
5. Glass		
6. Fidelity		
7. Surety		
8. Boiler and Machinery		
9. Fire		
10. Extended Coverage		
11. Inland Marine		
12. Homeowners		
13. Commercial Multi-Peril		
14. Crop Hail		
15. Other <u>Medical Malpractice</u>	<u>0</u>	<u>0</u>

Does filing only apply to certain territory (territories) or certain classes? If so, specify:

no

Brief description of filing. (If filing follows rates of an advisory organization, specify organization):

Introduction of a new Allied Health Care program for up to six covered practitioners.

* Adjusted to reflect all prior rate changes.

** Change in Company's premium level which will result from application of new rates.

ACE American Insurance Company

Name of Company

Nanette Tingle

Vice President and Actuary

Official - Title

**ACE American Insurance Company
Illinois
Allied Health
Actuarial Certification**

1

Statement of Actuarial Opinion

215 ILCS 5/155.18

In my opinion, the rates proposed in this filing are based on sound actuarial principles and are not inconsistent with the company's experience.

Name: Nanette Tingley

Title: Vice President and Actuary

Accreditation: A.C.A.S., M.A.A.A.

Date: May 15, 2012

Signature: 

Name: Robert Reilly

Title: Vice President

Date: May 15, 2012

Signature: 

Healthcare and Allied Professional and Supplemental Liability Exception Pages: Illinois

State Exceptions. Selected countrywide rules are amended as described below:

I. In order to comply with Illinois Department of Insurance regulation 215 ILCS 5/143(2), no policy will be amended midterm to exclude or reduce coverage, without the insureds' request. (For example, including but not limited to using endorsements PF-37236, exclusion of specified supplemental liability coverages, or PF-37220, endorsement deletion endorsement). These endorsements will only be used midterm to correct any typographical errors without the insureds consent. If coverage is reduced or eliminated upon renewal a conditional renewal notice will be sent to the insured in compliance with Illinois conditional renewal requirements.

II. Rule **XI. EXTENDED REPORTING PERIOD COVERAGE (Claims Made Only)** is amended by deleting paragraph H & I in their entirety and replacing paragraph I. with the following:

I. Extended Reporting Period Factors -The factors in the following table shall be applied to the claims-made rate in effect at the beginning of the current policy period:

Years of Prior Claims Made Coverage	Installment Unlimited Factors Years			Prepaid Unlimited Factors
	1	2	3	
1	.36	.34	.28	.92
2	.58	.55	.39	1.43
3	.67	.55	.59	1.70
4 or more	.84	.55	.59	1.87

Any other option refer to company

III. Rule **XIX. Premium Installment plans for both Individuals and Entities** is added as follows:

The following installment premium payment plans shall be offered:

1. For annual premiums up to and including \$80,000, a four-installment payment plan payable as follows:
 - a. an initial payment equal to 40% of the premium due at policy inception;
 - b. a second payment equal to 20% of the premium due 3 months from policy inception; and
 - c. a third payment equal to 20% of the premium due 6 months from policy inception.
 - d. a fourth payment equal to 20% of the premium due 9 months from the policy inception
2. For annual premiums in excess of \$80,000, a four-installment payment plan payable as follows:
 - a. an initial payment equal to 25% of the premium due at policy inception;
 - b. a second payment equal to 25% of the premium due 3 months from policy inception;
 - c. a third payment equal to 25% of the premium due 6 months from policy inception;
 - d. a fourth payment equal to 25% of the premium due 9 months from policy inception;

Additional premium resulting from changes to the policy shall be spread over the remaining installments, if any. If there are no remaining installments, additional premium resulting from changes to the policy shall be billed immediately as a separate transaction.

IV. Rule **XVI. Schedule Rating** is amended by adding the following:

Credits and debits shown below above are additive if more than one applies, they are subject to a maximum total credit or debit of 25% for all categories.

IV. Rule **XVII. RULES FOR INDIVIDUALS** and Rule **XVIII. RULES FOR LEGAL ENTITIES**, is amended by deleting Paragraph A for both sections in their entirety and replacing it with the following:

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- A. The following are the base limits used for premium calculation. Availability of limits by specialty or state may be restricted by underwriting guidelines:

Coverage	Limits of Liability	
Professional Liability	\$1,000,000 each claim	\$6,000,000 aggregate
Good Samaritan Liability	Included in PL limit above	
	Included in PL limit above	
General Liability	\$1,000,000 each claim	\$6,000,000 aggregate
Personal Injury Liability	Included in GL limit above	
License Protection	\$ 25,000 per proceeding	\$ 25,000 aggregate
Defendant Expense Benefit	\$1,000 per day	\$ 25,000 aggregate
Deposition Representation	\$ 10,000 per incident	\$ 10,000 aggregate
Assault	\$ 25,000 per incident	\$ 25,000 aggregate
Medical Payments	\$ 25,000 per person	\$ 100,000 aggregate
First Aid		\$ 10,000 aggregate
Damage to Property of Others	\$ 10,000 per incident	\$ 10,000 aggregate
Personal Liability		\$1,000,000 aggregate

Coverage for Certified Acts of Terrorism, as defined in the Terrorism Insurance Act of 2002, is included at no additional premium if General Liability is purchased [and if the insured wants Personal Injury liability coverage, the insured must purchase the General Liability coverage.](#)

VI. Rule **XVII. RULES FOR INDIVIDUALS**, is amended at paragraph A by adding the following:

1. If General Liability is purchased, it is only available as a separate limit with a base limit of \$1,000,000 each claim and a \$1,000,000 aggregate limit for \$150.
2. When an Individual has several locations, and requests General Liability coverage, a \$50 charge per additional practice location will apply. This is not a separate limit of liability per location and will share in the limit of liability stated above.
3. When an Individual provides home healthcare, staffing or fitness, the annual rate will be 25% of the developed Professional Liability rate, subject to \$150 per policy minimum.
4. Other General Liability limits are available and associated with the following factors (which are with respect to the \$1M/\$1M rate).

Increased Limit	Increased Limit Factor
\$1,000,000/\$1,000,000	1.00
\$1,000,000/\$2,000,000	1.13
\$1,000,000/\$3,000,000	1.21
\$1,000,000/\$4,000,000	1.28
\$1,000,000/\$5,000,000	1.33
\$1,000,000/\$6,000,000	1.37
\$1,000,000/\$7,000,000	1.39
\$1,000,000/\$8,000,000	1.40
\$2,000,000/\$4,000,000	1.98
\$2,000,000/\$5,000,000	2.00
\$2,000,000/\$6,000,000	2.01
\$2,000,000/\$7,000,000	2.02

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\$2,000,000/\$8,000,000	2.03
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The General Liability Limit can not be higher then the Professional Liability Limit.

VII. Rule **XVII. RULES FOR INDIVIDUALS**, is amended by deleting sub-section B. 3, **Part Time**, in its entirety and replacing it with the following:

Individual Healthcare Provider who works 24 or fewer hours per week may be eligible for a rate reduction of 50% subject to a minimum premium. Physician Assistants will be eligible for a rate reduction of 35%.

- a. When part time rates result in an amount that is less than \$100, the rate will be the lesser of either the individual's full time base rate or \$100.
- b. Part time rate is available to an employed individual who works 24 or fewer hours per week in a self-employed capacity for that individual's self-employed pursuits.
- c. The part time rate reduction is not available for nurse practitioners.

VIII. Rule **XVIII., RULES FOR Legal Entities**, is amended at paragraph D by deleting subsection 1 in its entirety and replacing it with the following:

- 1. If General Liability is purchased, it is only available as a separate limit with a base limit of \$1,000,000 each claim and a \$1,000,000 aggregate limit for \$150.

IX. Rule **XVIII. RULES FOR LEGAL ENTITIES** is amended by deleting paragraph 3 in its entirety and replacing it with the following:

3. Exposure Debits

Debits will be added based on the presence of the following: The Maximum debit will be 35%

Category	Debit
Registry/Staffing	A surcharge of 25% of developed premium before debits/credits will be added to Firms that provide staffing to other facilities, firms or locations.
Background check	A surcharge of 10% of developed premium before debits/credits will be added to Firms not performing background checks on their employees and independent contractors.

IX. **Rates**

- A. All rates indicated below are for Professional Liability limits of \$1,000,000 each claim with a \$6,000,000 annual aggregate.

Class		Employed	Self-Employed
I A	Occupational Therapists; Occupational Therapy Assistant; Certified Occupational Therapy Assistant	\$71	\$198
B	Respiratory Care Provider; Respiratory Therapist	\$84	\$281
C	Respiratory Therapist Technician/Technologist; Chiropractic Assistant; Optometric Technician/Assistant; Podiatric Assistant	\$84	\$234

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II	Art Therapist; Dance Therapist; Music Therapist; Recreation Therapist	\$84	\$281
III A	LPN/LVN; Registered Nurse	\$88	\$270
B	Dietician; Nutritionist	\$84	\$234
C	Bio-medical Technician/Technologist; Blood Bank Technician/Technologist; Cardiology Technician/Technologist; Certified Lab Technician/Technologist; Certified Medical Assistant; Clinical Lab Technician/Technologist; Community Health Assistant; Community Health Technician/Technologist; Diagnostic Medical Sonographer; Dialysis Technician/Technologist; EEG Technician/Technologist; EKG Technician/Technologist; Electrologist Histologic; Technician/Technologist; Medical Assistant; Medical Laboratory Technician/Technologist; Medical Records Administrator; Medical Records Technician/Technologist; Medical Technician; Medical Technician/Technologist Assistant; Medical Technologist; Mental Retardation Workers; Nuclear Medical Technician/Technologist; Phlebotomist; Radiation Therapist; Radiology Technician/Technologist; Surgical Technician/Technologist; X-Ray Machine Operator	\$84	\$164
D	Home Health Aid	\$84	\$90
E	Clinical Nurse Specialist-No Prescriptive Authority	\$88	\$311
IV A	Pharmacist	\$131	\$351
B	Pharmacy Technician	\$84	\$164
C	Pedorthist	\$104	\$291
V	Circulation Tech; Perfusionist	\$140	\$281
VI A	Massage Therapist	\$140	\$164
B	Enterostomal Therapist; Orthopedic Assistant	\$164	\$281
VII A	Athletic Trainer	\$187	\$889
B	Exercise Physiologist; Fitness Professional; Health Educator; Kinesiologist; Certified Personal Trainer; Sports Medicine Instructor	\$140	\$162
VIII A	Paramedic	\$149	\$215
B	Basic/Intermediate Emergency Medical Technician	\$136	\$195
C	Volunteer Emergency Medical Technician	\$70	\$70
IX A	Physical Therapist; Rehabilitation Therapist; Kinesiotherapist; Sports Medicine Therapist; Corrective Therapist; Physical Therapist Assistant; Rehabilitation Assistant	\$148	\$420
B	Physical Therapist Assistant; Rehabilitation Assistant	\$75	\$211
X	No Specialties in this class	----	---
XI	Nurse Practitioners/Clinical Nurse Specialists		
A	Adult/Geriatric/Family Planning/Gynecology/Women's Health/Adult Oncology	\$645	\$796
B	Psychiatric	\$911	\$1,126
C	Pediatric/Neonatal/Family Practice/Acute Critical Care	\$1,178	\$1,455
D	Obstetrics/Gynecology/Perinatal/Acute Care Obstetrics	\$1,446	\$1,787
E	Nurse Practitioner Student	\$248	N/A
F	Clinical Nurse Specialists-Educator; Consultant, Administrator and Researcher	\$419	\$517
XII	Audiologist; Speech Language Pathologist	\$74	\$126
XIII	Dental Hygienists	\$56	\$234

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XIV	Dental Assistant; Laboratory Aide; Nurses Aide; Geriatric Nursing Assistant; Nursing Assistant; Physical Therapy Aide; Other Healthcare Aide(Excluding Home Health Aides)	\$46	\$164
XV A	Social Worker Clinical	\$113	\$270
B	Psychotherapist	\$405	\$855
C	Alcohol/Drug Counselor Case Manager; Clinical/Rehabilitation Counselor; Pastoral Counselor; School Counselor	\$113	\$297
D	Marriage/Family Counselor	\$113	\$239
Counties: Cook, DuPage, Madison and St. Clair			
XVI A	Physician Assistant Class 1(see Rules)	\$4,356	\$4,356
B	Physician Assistant Class 2(see Rules)	\$5,445	\$5,445
C	Physician Assistant Class 3(see Rules)	\$6,534	\$6,534
D	Physician Assistant Student	\$140	N/A
E	Registered Radiologist Assistant	N/A	N/A
Remainder of State		\$3,598	\$3,598
XVI A	Physician Assistant Class 1(see Rules)	\$4,498	\$4,498
B	Physician Assistant Class 2(see Rules)	\$5,397	\$5,397
C	Physician Assistant Class 3(see Rules)	\$140	N/A
D	Physician Assistant Student	N/A	N/A
E	Registered Radiologist Assistant		
XVII A	Acupuncturist	\$658	\$658
B	Acupuncturist Student	\$140	\$N/A